

02-0-0470

(Do Not Write Above This Line)

AN ORDINANCE BY Felicia A. Moore  
COUNCIL MEMBERS Felicia A. Moore  
AND HOWARD SHOOK Howard Shook

A RESOLUTION STATING THE INTENT OF THE COUNCIL TO ESTABLISH AN INDEPENDENT "FINANCIAL REVIEW TASKFORCE" FOR THE PURPOSE OF AUDITING THE CITY'S GENERAL AND SANITARY SERVICES FUND BUDGETS FOR THE LAST 5 YEARS, SPECIFICALLY, AND THE TREND OF THE PAST 10-20 YEARS, IN GENERAL; SEEKING "PRO BONO" ASSISTANCE FROM THE BUSINESS COMMUNITY AND INDIVIDUALS TO BECOME MEMBERS OF SAID TASKFORCE; PROVIDING FOR THE APPOINTMENT OF SAID TASKFORCE MEMBERS BY THE AUDIT COMMITTEE AND CONFIRMATION BY THE COUNCIL AND MAYOR; REQUIRING THE DEVELOPMENT OF A WORK PLAN TO BE ACCEPTED BY THE COUNCIL AND MAYOR; REQUESTING A FINAL REPORT OF THE TASKFORCE'S FINDINGS, AND FOR OTHER

PURPOSES

- ☐ CONSENT REFER  
☐ REGULAR REPORT REFER  
☐ ADVERTISE & REFER  
☐ 1st ADOPT 2nd READ & REFER  
☒ PERSONAL PAPER REFER

Date Referred

3/4/02

Referred To:

Finance/Executive

Date Referred

Referred To:

Date Referred

Referred To:

First Reading

Committee \_\_\_\_\_  
Date \_\_\_\_\_  
Chair \_\_\_\_\_  
Referred to \_\_\_\_\_

Committee

Date

Chair

Action:

Fav, Adv, Hold (see rev. side)

Other:

Members

Refer To

Committee

Date

Chair

Action:

Fav, Adv, Hold (see rev. side)

Other:

Members

Refer To

Committee

Date

Chair

Action:

Fav, Adv, Hold (see rev. side)

Other:

Members

Refer To

Committee

Date

Chair

Action:

Fav, Adv, Hold (see rev. side)

Other:

Members

Refer To

FINAL COUNCIL ACTION

☐ 2nd ☐ 1st & 2nd ☐ 3rd  
Readings  
☐ Consent ☐ V Vote ☐ RC Vote

CERTIFIED

MAYOR'S ACTION

A RESOLUTION BY

COUNCILMEMBERS   FELICIA A. MOORE AND HOWARD SHOOK

**A RESOLUTION STATING THE INTENT OF THE COUNCIL TO ESTABLISH AN INDEPENDENT "FINANCIAL REVIEW TASKFORCE" FOR THE PURPOSE OF AUDITING THE CITY'S GENERAL AND SANITARY SERVICES FUND BUDGETS FOR THE LAST 5 YEARS, SPECIFICALLY, AND THE TREND OF THE PAST 10 – 20 YEARS, IN GENERAL; SEEKING "PRO BONO" ASSISTANCE FROM THE BUSINESS COMMUNITY AND INDIVIDUALS TO BECOME MEMBERS OF SAID TASKFORCE; PROVIDING FOR THE APPOINTMENT OF SAID TASKFORCE MEMBERS BY THE AUDIT COMMITTEE AND CONFIRMATION BY THE COUNCIL AND MAYOR; REQUIRING THE DEVELOPMENT OF A WORK PLAN TO BE ACCEPTED BY THE COUNCIL AND MAYOR; REQUESTING A FINAL REPORT OF THE TASKFORCE'S FINDINGS, AND FOR OTHER PURPOSES.**

**Whereas**, on January 31, 2002 the Mayor of the City of Atlanta submitted her 2002 proposed Budget transmittal letter to the President and members of the Atlanta City Council; and

**Whereas**, the Mayor revealed in her letter that with the assistance of "pro bono" financial consultants, she found "the largest budget gap...in city history;" and

**Whereas**, the City of Atlanta has adopted the 2002 Budget that resulted in an increased property tax mileage rate for citizens, higher building permit fees, a large reduction in force, no holiday or pay raises and a five day furlough for employees; and

**Whereas**, during the numerous public hearings held throughout the budget review process, taxpayers, employees and fee payers have requested that the Atlanta City Council conduct an independent, detailed audit and analysis of the city's finances; and

**Whereas**, citizens and the Council want to know "how and why" the city is in this critical financial situation; and

**Whereas**, it is the intent of the Council to seek find answers to the questions posed by our citizens, employees and taxpayers.

**THEREFORE, BE IT RESOLVED BY THE ATLANTA CITY COUNCIL THAT:**

**Section 1.**

- A.) A "Financial Review Taskforce" shall be established for the purpose of providing an independent review and audit of the General Fund and Sanitary Services Fund budgets for the last 5 years, in specific, and the trend of the past 10-20 years, in general.

- B.) The city will seek the “pro bono” assistance of the business community and individuals with expertise in financial management, auditing, accounting or related fields to comprise the membership of the “Financial Review Taskforce.”
- C.) Individuals and companies interested in serving on the Taskforce shall express their intent in writing to the Audit Committee. The Audit Committee shall review the qualifications and capacity of those offering themselves to serve, and appoint the members of the Taskforce.
- D.) The Taskforce members shall be presented to the Council and Mayor for confirmation.

## **Section 2.**

- A.) The Taskforce, in consultation with the Audit Committee and assistance of the Internal Auditor, shall develop a “Work Plan” generally outlining the tasks to be performed and the resources needed to accomplish the task.
- B.) The Work Plan shall be presented to the Finance/Executive Committee, the council and Mayor for review and ratification.

## **Section 3.**

- A.) The Audit Committee will provide direction and coordination of the Taskforce’s activities, with staff assistance by the Office of the Internal Auditor.
- B.) The Taskforce shall be granted access to all public records and documents necessary, to complete their financial review.
- C.) The Taskforce review may include, but not be limited to the following areas of concern:
  - 1. The city’s operating deficit for four of the past five years.
  - 2. The operating deficit for 2001 that was nearly twice as large as any ever before.
  - 3. The accuracy of budgeted anticipations, appropriations and subsequent expenditures. Bain & Co. found that known, recurring expenses have been systematically under-budgeted.
  - 4. Tracking of expenditures, fund transfers and appropriations to determine their conformance with the budget, and required authorization by the Atlanta City Council and the Mayor.
  - 5. Identification of added recurring expenses that were approved without the revenue to sustain them.
- D.) The purpose of this review is to ascertain the financial health of the city, identify areas of concern and recommendations for the future.

#### **Section 4.**

- A.) The Taskforce shall present periodic progress reports to the Finance/Executive Committee. Copies of all reports shall be distributed to the Council and the Mayor. Reports will also be available for public review in the Office of the Municipal Clerk and the city's website.
- B.) At the conclusion of the Taskforce's work a Final Report shall be prepared and presented to the Finance/Executive Committee, the Council and Mayor for acceptance and review.
- C.) The Finance/Executive Committee shall conduct work sessions, as appropriate, to allow for review and discussion of the Taskforce's report and recommendations.
- D.) A public hearing will be held by the Finance/Executive Committee to receive public comment on the Taskforce's Final Report and findings.

#### **Section 5.**

- A.) That all resolutions or parts of resolutions, in conflict, are hereby repealed.